

HOUSE BILL NO. 139

INTRODUCED BY D. GALLIK

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A PREMIUM REDUCTION FOR INSURED IN WILDLAND-URBAN INTERFACE AREAS WHO TAKE CERTAIN FIRE PREVENTION PRECAUTIONS; ~~REQUIRING THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION TO ADOPT RULES AND A CERTIFICATION PROCESS~~ RELATED TO FIRE PRECAUTIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Premium reduction for homeowners in wildland-urban interface areas.

(1) For the purposes of this section, "wildland-urban interface area" means the ~~line, area, or zone where structures and other human development meet or intermingle with wildland or vegetative fuels~~ AREA WHERE HUMAN DEVELOPMENTS MEET OR INTERMIX WITH WILDLAND FUELS AND RESULT IN THE FOLLOWING CONDITIONS:

(A) INTERFACE CONDITIONS WHERE THERE IS A CLEAR LINE OF DEMARCATION BETWEEN THE STRUCTURES AND THE WILDLAND FUELS ALONG ROADS OR BACK FENCES;

(B) INTERMIX CONDITIONS WHERE STRUCTURES ARE SCATTERED THROUGHOUT A WILDLAND AREA AND THERE IS NO CLEAR LINE OF DEMARCATION;

(C) OCCLUDED CONDITIONS WHERE STRUCTURES ABUT AN ISLAND OF WILDLAND FUELS AND THERE IS A CLEAR LINE OF DEMARCATION; AND

(D) RURAL CONDITIONS WHERE SCATTERED SMALL CLUSTERS OF STRUCTURES ARE EXPOSED TO WILDLAND FUELS.

(2) Any rates, rating schedules, or rating manuals for homeowner and commercial property insurance policies filed with the department ~~must~~ MAY provide an appropriate premium reduction, as determined by the insurer, for an insured living in a wildland-urban interface area who HAS TAKEN FIRE PREVENTION MEASURES, INCLUDING BUT NOT LIMITED TO:

(a) ~~has used~~ USING fire resistive OR noncombustible building materials in construction, including noncombustible roofing OR COATING;

(b) ~~maintains~~ MAINTAINING an adequate outside water source; ~~and~~ AND

(c) ~~provides~~ PROVIDING annually, if requested by the insurer, confirmation that the insured has

1 employed defensible space landscaping around the insured's structures; ~~AND~~

2 ~~— (d) RECEIVING A CERTIFICATION FROM THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION STATING~~
3 ~~THAT THE INSURED HAS TAKEN THE PRECAUTIONARY MEASURES PURSUANT TO SUBSECTIONS (2)(A) THROUGH (2)(C).~~

4 (3) Any discount used by the insurer is presumed appropriate unless credible evidence
5 demonstrates otherwise.

6 ~~— (4) (a) If an insured in a wildland-urban interface area is not receiving the premium reduction~~
7 ~~authorized by this section, the insured may apply to the insured's insurer for the premium reduction.~~

8 ~~— (b) If an insured is denied a premium reduction, the insured may appeal that decision to the~~
9 ~~commissioner, and the commissioner may determine if the insured is entitled to the premium reduction.~~

10 ~~(4) THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION SHALL DEVELOP, IN COOPERATION WITH ANY~~
11 ~~LOCAL GOVERNMENT ENTITY OR FEDERAL LAND MANAGEMENT AGENCY, AS APPROPRIATE, GUIDELINES AND PROCEDURES~~
12 ~~TO BE USED IN CERTIFYING CONFIRMING THAT FIRE PREVENTION MEASURES HAVE BEEN TAKEN TO REDUCE THE IMPACT OF~~
13 ~~FIRE DAMAGE TO RESIDENTIAL AND COMMERCIAL PROPERTY LOCATED IN A WILDLAND-URBAN INTERFACE AREA.~~

14 ~~(5) THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION SHALL ADOPT RULES FOR THE GUIDELINES,~~
15 ~~SPECIFICATIONS, AND DEFINITIONS FOR FIRE PREVENTION MEASURES PURSUANT TO SUBSECTIONS (2)(A) THROUGH (2)(C)~~
16 ~~SUBSECTION (2).~~

17 ~~— (6) IF FIRE PREVENTION MEASURES MEETING THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION'S~~
18 ~~GUIDELINES HAVE BEEN TAKEN, THE DEPARTMENT SHALL PROVIDE TO THE INSURED, AT THE INSURED'S REQUEST, A FIRE~~
19 ~~PREVENTION CERTIFICATE.~~

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21 NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
22 integral part of Title 33, chapter 16, part 2, and the provisions of Title 33, chapter 16, part 2, apply to
23 [section 1].

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25 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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27 NEW SECTION. **Section 4. Applicability.** [This act] applies to all contracts for insurance that are
28 subject to the provisions of [section 1] entered into or renewed after [the effective date of this act].

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